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*Counsel to the Debtors Acting at the Direction
of the Restructuring Subcommittee of the Board of Directors
of Sears Holdings Corporation*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

**SEARS HOLDINGS CORPORATION, *et al.*,
Debtors.¹**

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); SHC Licensed Business LLC (3718); SHC Promotions LLC (9626); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

**NOTICE OF FILING OF REVISED PROPOSED ORDER GRANTING THE MOTION
FOR LEAVE TO CONDUCT EXPEDITED DISCOVERY PURSUANT TO FEDERAL
RULES OF BANKRUPTCY PROCEDURE 2004, 9006, AND 9016**

PLEASE TAKE NOTICE that on November 9, 2018 the Restructuring Subcommittee (the “Subcommittee”) of the restructuring committee (the “Restructuring Committee”) of the Sears Holdings Corporation (“Sears” or the “Debtors”) board of directors filed its *Motion for Leave to Conduct Discovery Pursuant to Bankruptcy Rule 2004* [ECF No. 609] (the “Motion”).

PLEASE TAKE FURTHER NOTICE that, following informal discussions with counsel for the Official Committee of Unsecured Creditors (“the Committee”), Duff & Phelps, LLC, and the other recipients of the Subcommittee’s document requests, the Subcommittee hereby files an unopposed revised proposed Order Granting the Motion for Leave to Conduct Expedited Discovery Pursuant to Federal Rules of Bankruptcy Procedure 2004, 9006, and 9016 (the “Revised Proposed Order”), attached hereto as **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that attached hereto as **Exhibit B** is a redline of the Revised Proposed Order reflecting changes from the proposed Order attached to the Motion.

PLEASE TAKE FURTHER NOTICE that the Subcommittee appeared on **November 15, 2018 at 10:00 a.m. (Eastern Time)** before the Honorable Robert D. Drain, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, Courtroom 118, 300 Quarropas Street, White Plains, New York, 10601-4140 (the “Bankruptcy Court”), to present the Motion to the Court and request entry of the Revised Proposed Order.

PLEASE TAKE FURTHER NOTICE that a copy of the Motion and Revised Proposed Order can be viewed and obtained (i) by accessing the Bankruptcy Court’s website at

www.nysb.uscourts.gov, or (ii) by accessing, free of charge, the website maintained by the Debtors' claims and noticing agent, Prime Clerk LLC,
<https://restructuring.primeclerk.com/sears/>. Note that a PACER password is needed to access documents on the Bankruptcy Court's website.

Dated: November 15, 2018
New York, New York

Paul M. Basta

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*Counsel to the Debtors Acting at the Direction of the
Restructuring Subcommittee of the Board of Directors of Sears
Holdings Corporation*

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re: : **Chapter 11**
:
SEARS HOLDINGS CORPORATION, *et al.*, : **Case No. 18-23538 (RDD)**
:
Debtors.² : **(Jointly Administered)**
:
-----X

**ORDER GRANTING THE MOTION FOR LEAVE TO CONDUCT EXPEDITED
DISCOVERY PURSUANT TO FEDERAL RULES OF BANKRUPTCY PROCEDURE
2004, 9006, AND 9016**

Upon the motion, dated November 9, 2018 (the “Motion”), of the Restructuring Subcommittee (the “Subcommittee”) of the restructuring committee (the “Restructuring Committee”) of the Sears Holdings Corporation (“Sears” or the “Debtors”) board of directors (the “Board”) for an order pursuant to section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2004 of the Federal Rules of Bankruptcy Procedure (“Rule 2004”), and Local Rule 2004-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”) [ECF No. 609] authorizing expedited discovery of Duff &

² The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); SHC Licensed Business LLC (3718); SHC Promotions LLC (9626); and Sears Brands Management Corporation (5365). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Phelps, LLC and any other party the Subcommittee identifies as possessing information relevant to its investigation into the Prepetition Related-Party Transactions³ and other prepetition transactions (the “Rule 2004 Topics”); and, after due deliberation, the Court having concluded that the Subcommittee has established sufficient cause for the relief granted herein; and no additional notice being required except as specified herein; now, therefore, it is hereby ORDERED that:

1. The Subcommittee is authorized, pursuant to Fed. R. Bankr. P. 2004, to conduct an oral examination of Duff & Phelps, LLC and other third parties regarding the Rule 2004 Topics.

2. The Subcommittee is authorized, pursuant to Fed. R. Bankr. P. 9016, to issue subpoenas for the production of documents relevant to the Rule 2004 Topics and attendance for the foregoing examination (each, a “Rule 2004 Subpoena”).

3. Pursuant to Rule 9006, the deadline for providing written responses and objections to each Rule 2004 Subpoena shall be seven (7) calendar days of service.

4. The Subcommittee and the recipient of each Rule 2004 Subpoena shall work diligently to expedite and substantially complete production of responsive documents as soon as reasonably practicable.

5. The production and examination required hereby are subject to all applicable privileges; provided, that if production of a document required to be produced hereby is withheld on the basis of an asserted privilege, the recipient of each Rule 2004 Subpoena (or other party asserting privilege with respect to such document) shall provide a privilege log to the

³ Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

Subcommittee's counsel at a time mutually agreed to between the producing party and the Subcommittee.

6. The recipient of each Rule 2004 Subpoena shall inform the Subcommittee's counsel of its search terms and other search parameters when conducting an electronic search. If necessary, the recipient of each Rule 2004 Subpoena shall meet and confer with the Subcommittee's counsel to attempt to agree on appropriate search terms and other search parameters.

7. All disputes concerning discovery pursuant to this order, including objections thereto and disputes regarding the scope or timing of production, that are not resolved by agreement of the parties may be raised by letter brief to the Court not exceeding five pages, single spaced (excluding attachments). The other party shall file a responsive letter brief within three business days, which shall not exceed five pages, single spaced (excluding attachments). Copies of such letter briefs shall also be emailed to the Court's chambers.

8. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

9. To the extent not otherwise limited by this Order, all discovery recipients reserve all substantive and procedural rights and objections they may have in connection with any discovery served pursuant to this Order.

Dated: November [], 2018
White Plains, New York

THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re: : Chapter 11
:
SEARS HOLDINGS CORPORATION, *et al.*, : Case No. 18-23538 (RDD)
:
Debtors.¹ : (Jointly Administered)
:
-----X

**ORDER GRANTING THE MOTION FOR LEAVE TO CONDUCT EXPEDITED
DISCOVERY PURSUANT TO FEDERAL RULES OF BANKRUPTCY PROCEDURE
2004, 9006, AND 9016**

~~Upon consideration of the motion for an order pursuant to Federal Rules of
Bankruptcy Procedure 2004, 9006, and 9016 authorizing examination and directing expedited
production of documents (the “Motion”); and adequate and sufficient notice of the Motion
having been provided to all parties in interest; and sufficient cause appearing therefore, it is
hereby:~~

~~ORDERED that the Motion is granted; and it is further~~

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~~ORDERED that~~ Upon the motion, dated November 9, 2018 (the “Motion”), of the Restructuring Subcommittee (the “Subcommittee”) of the restructuring committee (the “Restructuring Committee”) of the Sears Holdings Corporation (“Sears” or the “Debtors”) board of directors (the “Board”) for an order pursuant to section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2004 of the Federal Rules of Bankruptcy Procedure (“Rule 2004”), and Local Rule 2004-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”) [ECF No. 609] authorizing expedited discovery of Duff & Phelps, LLC and any other party the Subcommittee identifies as possessing information relevant to its investigation ~~shall produce copies of the documents and information requested in the Subcommittee’s Rule 2004 Subpoena to Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019-6064, Attention: Jonathan H. Hurwitz, no later than ten (10) days from the entry of the date of service; and it is further~~ into the Prepetition Related-Party Transactions² and other prepetition transactions (the “Rule 2004 Topics”); and, after due deliberation, the Court having concluded that the Subcommittee has established sufficient cause for the relief granted herein; and no additional notice being required except as specified herein; now, therefore, it is hereby ORDERED that:

1. The Subcommittee is authorized, pursuant to Fed. R. Bankr. P. 2004, to conduct an oral examination of Duff & Phelps, LLC and other third parties regarding the Rule 2004 Topics.

² Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

2. The Subcommittee is authorized, pursuant to Fed. R. Bankr. P. 9016, to issue subpoenas for the production of documents relevant to the Rule 2004 Topics and attendance for the foregoing examination (each, a “Rule 2004 Subpoena”).

~~ORDERED that, pursuant to Bankruptcy~~3. Pursuant to Rule 9006, the deadline for providing written responses and objections to each Rule 2004 Subpoena shall be ~~served no later than seven (7)~~ calendar days ~~from the of~~ service; ~~and it is further,~~

~~ORDERED that, as provided in Bankruptcy Rule 7062, this Order shall be effective and enforceable immediately upon entry; and it is further~~

~~ORDERED that this Court retain jurisdiction to resolve any disputes arising under or related to this Order, including any discovery disputes that may arise between or among the parties, and to interpret, implement, and enforce the provisions of this Order; and it is further~~

~~ORDERED that this Order is without prejudice to the rights of the restructuring Subcommittee of the restructuring committee of the Sears Holdings Corporation board of directors to apply for further discovery from any party in interest or other entity or person.~~

4. The Subcommittee and the recipient of each Rule 2004 Subpoena shall work diligently to expedite and substantially complete production of responsive documents as soon as reasonably practicable.

5. The production and examination required hereby are subject to all applicable privileges; provided, that if production of a document required to be produced hereby is withheld on the basis of an asserted privilege, the recipient of each Rule 2004 Subpoena (or other party asserting privilege with respect to such document) shall provide a privilege log to the Subcommittee’s counsel at a time mutually agreed to between the producing party and the Subcommittee.

6. The recipient of each Rule 2004 Subpoena shall inform the Subcommittee's counsel of its search terms and other search parameters when conducting an electronic search. If necessary, the recipient of each Rule 2004 Subpoena shall meet and confer with the Subcommittee's counsel to attempt to agree on appropriate search terms and other search parameters.

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8. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

9. To the extent not otherwise limited by this Order, all discovery recipients reserve all substantive and procedural rights and objections they may have in connection with any discovery served pursuant to this Order.

Dated: November [], 2018
White Plains, New York

THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

Summary report: Litéra® Change-Pro 10.1.0.400 Document comparison done on 11/14/2018 7:51:28 PM	
Style name: PW Basic	
Intelligent Table Comparison: Active	
Original filename: Order in 2004 motion.docx	
Modified DMS: iw://US/US1/12428676/2	
Changes:	
<u>Add</u>	24
Delete	15
Move From	3
<u>Move To</u>	3
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	45